

Arent Fox

June 22, 2012

VIA ECFS

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Stephanie A. Joyce

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Re: Notice of Permitted *Ex Parte* Meeting, WC Docket No. 09-144 and CC Docket No. 96-128

Dear Ms. Dortch:

On June 21, 2012, Securus Technologies, Inc. met with the following persons at the Commission to discuss the Securus Petition for Declaratory Ruling, and the rate issues contained in the petitions of Martha Wright and Citizens United for the Rehabilitation of Errants:

Sean Lev, General Counsel
Julie Veach, Deputy General Counsel
Victoria Goldberg – Acting Chief, Pricing Policy Division, Wireline Competition Bureau
Deena Shetler – Associate Bureau Chief, Wireline Competition Bureau
Nicholas Alexander – Deputy Division Chief, Pricing Policy Division
Marcus Maher – Office of General Counsel
Raelynn Remy – Office of General Counsel
Michele Berlove – Wireline Competition Bureau

Representing Securus were Dennis J. Reinhold, Vice President and General Counsel, and the undersigned. This disclosure is made in compliance with 47 C.F.R. § 1.1206(a)(3).

During the meeting, the attendees discussed matters raised in the Securus Petition, the pleadings that Millicorp, which operates ConsCallHome.com, has filed in WC Docket No. 09-144, and the rate and cost information submitted in CC Docket No. 96-128.

Securus began by describing the unique cost structure that applies to the inmate telecommunications industry, and particularly the high proportion of research and development costs required in order to provide the security features that correctional authorities require. Securus also explained that the bidding process by which inmate telecommunications services providers secure service contracts precludes a “one-size-fits-all” approach to ratemaking, and

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that the prohibition on per-call charges that many groups advocate would result in below-cost service.

Securus also noted that it has recently won high-volume contracts that enable it to provide very low rates, such as the Missouri Department of Corrections contract.

Securus explained the effect of site commissions on rates, and the fact that site commissions are the product of a public policy decision made by correctional authorities, and in some cases state legislatures, to fund prison operations and inmate welfare programs through the inmate telecommunications system. Securus explained that, as a vendor, it cannot prohibit the imposition of site commissions. Were the Commission to hold that site commissions may not be passed through in calling rates, inmate telecommunications providers that are presently bound by site commission clauses and rate-specific contracts would be harmed.

With regard to its Petition, Securus stated that the Commission has the jurisdiction to rule on the question whether inmate phones, which are regulated as payphones under federal law, may block call diversion schemes. The Commission previously has held that inmate phones may block 1-800 numbers, including dial-around numbers like 1-800-CALLATT, and that the persons whom inmates call cannot choose the long-distance provider. These decisions were based on the security concerns unique to the penological setting. Call diversion as enabled by Millicorp and other entities poses the same threat to security, and the Commission has the authority to hold that it also may be blocked.

Securus also described the circumstances under which Millicorp entered into an arrangement with the Federal Bureau of Prisons in 2010, as they were described by that agency's staff. This event was detailed in a letter from the undersigned to Marlene H. Dortch in WC Docket No. 09-144 filed October 20, 2011.

Securus provided one set of large, foam-backed versions of the attached documents to explain its service and the nature of call-diversion schemes.

Sincerely,

s/Stephanie A. Joyce

Counsel to Securus Technologies, Inc.

Attachments